

From: Chip Canter [REDACTED]
Subject: Privileged & Confidential - Fwd: Bumble Inc Alternative BillingProgram Learnings for App Store
Received(Date): Tue, 30 May 2023 09:19:28 -0700
Cc: Carson Oliver [REDACTED], Ann Thai [REDACTED], Ken Moore [REDACTED], Stephanie [REDACTED], Timo Kim [REDACTED], Chan [REDACTED], Anne Zelek [REDACTED], Eric Gray [REDACTED], Juan Saiz [REDACTED], Latika Kirtane [REDACTED], Aji Mathai [REDACTED], George Schmieser [REDACTED]
To: Sean Cameron [REDACTED], Ling Lew [REDACTED], Jason Cody [REDACTED]
Attachment: EmailSignature.gif
Attachment: UCB & Alt Payments Learnings for App Store.pdf
Date: Tue, 30 May 2023 09:19:28 -0700

Privileged & Confidential

See attachment. Bumble shared with us some of their thoughts on Googles UCB (eg. Alt billing) to provide their recommended guidance to Apple on both DMA and US Epic ruling.

No surprise, but high level their recommendation is to allow 3rd party in app billing that either has no commission or varying rate to accommodate the cost of payments/full stack (see slide 6). Their main point re Googles UCB is that they had only 3p payments, then added Google UCB along side theirs and it had a negative impact on sign ups. Not sure how relevant this is to us since we only had IAP so its not really an apples to apples no pun.

Page 6 cost of 3p payments that is the most interesting - they are one of the few developers that have shared even a high level view of full cost of payments in varying geos/channels (again, slide 6 was most interesting to me).

We were in pure listening mode, so did not provide any feedback to Bumble.

Happy to schedule some time live to discuss vs email thread but thought this was helpful to send out to this team. Let me know if any legal or other questions, but again, we can find 30 min to discuss live.

Thanks

Chip Canter | App Store | Apple Inc.

M: [REDACTED]

> Begin forwarded message:

>



> From: Brooke Segodnia [REDACTED]
> Subject: Bumble Inc Alternative Billing Program Learnings for App Store
> Date: May 29, 2023 at 8:34:26 PM PDT
> To: Chip Canter [REDACTED], Stephanie Chan [REDACTED]
George Schmiester [REDACTED], Arun Singh [REDACTED]
> Cc: Olivia Yu [REDACTED], Madeline Martini [REDACTED]

>

> Hi Apple team,
> Hope you had a great long weekend! Thank you for your time on Thursday while we reviewed our learnings for Alternative Billing Programs. Attached is the deck we reviewed, please bear in mind it contains confidential information that we're sharing under our mutual NDA.

>

> As we discussed Thursday, there are a few key themes we want to emphasize:
> We've clearly seen that users prefer a choice when it comes to picking their billing method and in offering optionality, overall payer numbers increase.
> Optimizing the billing UX for fewer steps and a better user experience has a significant impact on transaction conversion rates
> Payment processing fees are higher for developers overall than the 3% or 4% currently set aside under UCB and other alternative billing programs
> Developers and platforms should maximize market and currency availability within alternative payment programs to meet customer demand
> Streamlined implementation and reporting processes are critical for developer success with alternative billing programs

>

> Please let us know if you have any questions. As we mentioned on our call, Bumble Inc would love to continue to share open dialogue and feedback with Apple around your potential alternative billing solutions and we'd love to be considered for any early testing programs.

>

> Thanks and have a great week!

>

> Brooke

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> Brooke Segodnia
> Director Platform Partnerships

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- [REDACTED]
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Thanks and have a great week!

Brooke

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Brooke Segodnia

Director Platform Partnerships

[REDACTED]
[REDACTED]

Context setting – Google User Choice Billing (UCB) announced in Spring 2022 for non-game Apps with Bumble Inc announced as 2nd strategic pilot partner in November 2022

Prior to the enforcement of Google Pay Billing [requirements](#), Bumble Inc used its own billing platform allowing our customers to transact directly with Bumble Inc or via Google Play Billing.

User Choice Billing was rolled out on Android for Badoo in select markets in February of 2023

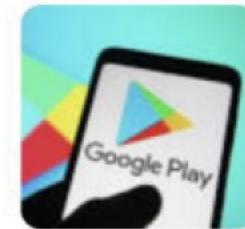
Bumble UCB implementation on the roadmap for ~mid 2023

 TechCrunch

Google Play to pilot third-party billing in new markets, including US; Bumble joins Spotify as early tester

Google today announced it's expanding its user choice billing pilot, which allows Android app developers to use other payment systems...

Nov 10, 2022



umble inc.

Platform fee reduction for payment processing fees should reflect actual payment processing costs incurred by developers.

- Developers take on fraud protection costs in addition to payment processing fees which should also be reflected in the platform fee reduction
- Payment processing fees average out significantly higher than the 4% fee reduction currently offered by Google in the UCB program or 3% fee in Apple's NL/ACM solution resulting in negative margin for developers.
- Proposed solutions are –
 - Vary fee rates to match payment method basis (e.g. credit card [REDACTED], carrier billing [REDACTED])
 - Revise 4% global “average” closer to developer’s actualized average (e.g. [REDACTED])

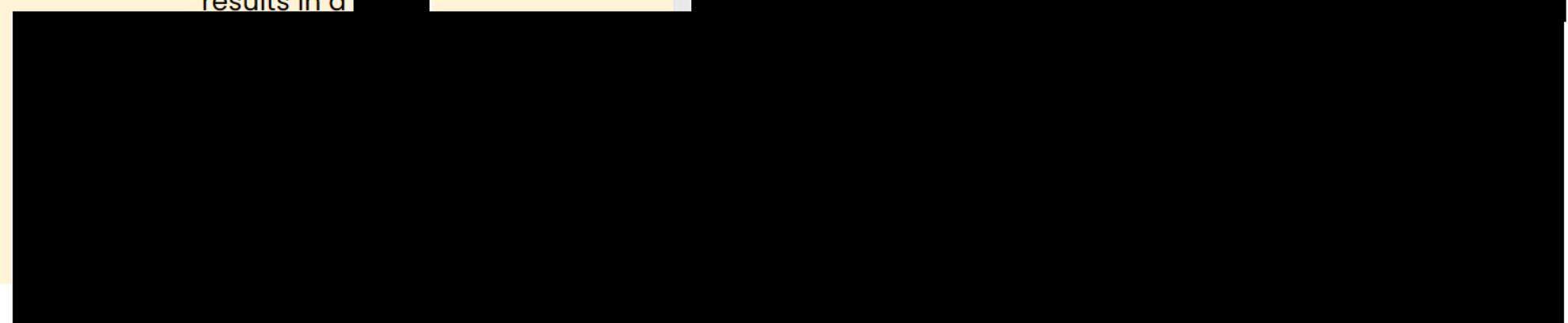
Sample FOP Fees for Bumble Inc Top Revenue Markets		
PAYMENT TYPE	COUNTRY NAME	AGG RATE
Card	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
Card	[REDACTED]	[REDACTED]
Carrier Billing	[REDACTED]	[REDACTED]
Boleto	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
Card	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
Carrier Billing	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
PlaySafe	[REDACTED]	[REDACTED]
Carrier Billing	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
PlaySafe	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
Carrier Billing	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
PlaySafe	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
Card	[REDACTED]	[REDACTED]
PayPal	[REDACTED]	[REDACTED]
Venmo	[REDACTED]	[REDACTED]

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UX design requirements should be minimal and optimized for low-friction transaction flow to ensure maximized conversion and optimal user experience

Google mandates UCB UX with multiple extra steps that result in a drop in transaction conversion and poor user experience

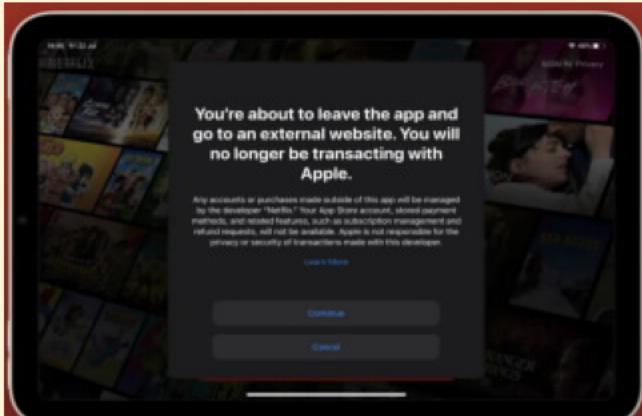
- Billing choice and order confirmation should be consolidated into single screen
 - Add'l step in single UCB flow results in a [REDACTED]



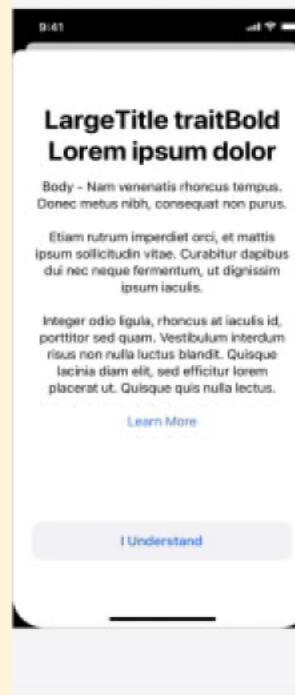
UX design requirements should be minimal and optimized for low-friction transaction flow to ensure maximized conversion and optimal user experience

Apple mandates UX with extra step that may result in a poor user experience. Ideally developers can work with Apple to test and customize content, lexemes and designs

Reader App Example for 3rd party Payment system In-App modal sheet UX and design requirements



3rd Party Payment system In-App modal sheet UX and design requirements for Dating Apps in the Netherlands



English

Title: Your payment will be managed by the developer. You will no longer be transacting with Apple.

Body: All purchases in this app will be processed by a service provider selected by the developer "developerName". The developer will be responsible for the payment methods and related features such as subscriptions and refunds. App Store features, such as your stored App Store payment method, subscription management, and refund requests, will not be available.

[Learn More](#)

Action: I Understand

Dutch

Title: Je betaling wordt beheerd door de ontwikkelaar. Je hebt geen transacties meer met Apple.

Body: Alle aankopen in deze app worden verwerkt door een serviceaanbieder geselecteerd door de ontwikkelaar 'developerName'. De ontwikkelaar is verantwoordelijk voor de betaalmethodes en gerelateerde functies zoals abonnementen en terugbetalingen. App Store-functies, zoals je bewaarde App Store-betaalmethode, abonnementsbeheer en verzoeken tot terugbetaling, zijn niet beschikbaar..

[Lees meer](#)

Action: Ik begrijp het

